

Country: Germany

Peril	Compulsory by law	Compulsory by design	Optional	Market Pen. ¹
Perils covered				
Windstorm	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	95 %
Hailstorm	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	95 %
Lightning – direct hit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	100 %
Lightning – surge	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	70 %
River flooding	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Overflow of stagnant waters	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Torrential rain	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Storm surge	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1 %
Earthquake	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Snow pressure	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Avalanche	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Frost	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80 %
Landslide	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Subsidence	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Collapsing sinkhole	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Volcanic eruption	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Meteor strike	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0 %
Tsunami	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40 %
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0 %

Private Lines Building Content

Commercial Lines Building Content

Tariffs, deductibles and the importance of risk prevention Tariffs are calculated individually by insurance companies (risk based, free market). Risk zoning information is in widespread use. Private and commercial lines usually include minor deductibles. Higher deductibles may apply in zones with extreme risks. (Individual) Prevention measures, which lower the probability of a loss, will usually have a positive impact on the premium. Cover: sum insured, reinstatement value.

Sale, underwriting and claims process Storm, hailstorm, lightning strike and frost/escape of water are usually bundled with fire insurance (building and content – historic development). Usually no stand-alone natcat insurance products on the market (except industrial lines) – additional natcat-perils are added to the basic fire policy. Sale and underwriting via insurance agents and brokers based upon risk zoning information. Individual risk surveys in commercial lines. Claims handling directly by insurance companies.

State intervention Government is not involved in the insurance market. No standing public natcat-post disaster compensation fund or similar scheme. Despite this, government pays out ad hoc subsidies in case of large natcat-events (e.g. flood 2002 and 2013). These subsidies have caused a "demand-problem": Homeowners try to safe natcat-insurance premiums in hope for future subsidies.

¹ Market penetration: Indicates the ratio of the "number of a particular voluntary insurance" to the "number of insurable objects". Rate based on market data.